

Delta Natural Gas Company, Inc.
Conservation/Efficiency Program
Billing Factor Calculation
Filing Due Date: January 1

Program Year End: October 31, 2012
Rate Effective: February 1, 2013

CEPCR - Conservation/Efficiency Program Cost Recovery

Program Costs				
Unrecovered CEP Rebates(Schedule A)	AC 1.186.61	\$	116,750	
Unrecovered CEP Rebates - Labor	AC 1.186.611		8,157	
Unrecovered Energy Audits - Material	AC 1.186.62		-	
Unrecovered Energy Audits - Labor	AC 1.186.621		122	
Unrecovered CEP Customer Awareness	AC 1.186.63		12,813	
Unrecovered CEP Admin - Labor	AC 1.186.64		-	
Unrecovered CEP Admin - Labor	AC 1.186.641		-	
Total Program Costs			\$	137,842
TOTAL CEPCR			\$	137,842

CEPLS - Conservation/Efficiency Program Lost Sales

Current Year Program Participation (Schedule A)

Rate	# of Participants	CCF Conserved	Distribution Charge	Lost Sales
High Efficiency Heating Savings				
1. High Efficiency Forced Air Furnaces	172	17,203.4	\$ 0.43185	\$ 7,429
2. High Efficiency Dual Fuel Units	32	667.2	\$ 0.43185	\$ 288
3. High Efficiency Gas Space Heating	92	1,502.4	\$ 0.43185	\$ 649
4. High Efficiency Gas Logs/Fireplaces	113	6,260.2	\$ 0.43185	\$ 2,703
High Efficiency Water Heating Savings				
1. High Efficiency Holding Tank Models	17	766.9	\$ 0.43185	\$ 331
2. High Efficiency Power Vent Models	5	313.1	\$ 0.43185	\$ 135
3. High Efficiency On-Demand Models	44	4,778.0	\$ 0.43185	\$ 2,063
Energy Audits				
1. Residential Energy Audits	-	-	\$ 0.43185	\$ -
Total Current Year Lost Sales	475	31,491.2		\$ 13,598

Cumulative Prior Years Participation (Schedule B)

Total Prior Year(s) Lost Sales	938	63,889.8	0.43185	\$ 27,591
TOTAL CEPLS	1,413	95,381.0		\$ 41,189

CEPI - Conservation/Efficiency Program Incentive

Program Benefits (Schedule C)	\$ 112,164
Less: Program Costs	\$ (137,842)
Net Resource Savings	\$ (25,678)
Incentive Percentage	15%
CEPI	\$ -

CEPBA - Conservation/Efficiency Program Balancing Adjustment

Prior year DSMRC recovery amount	\$ 202,956
Projected recovery 11/1/11 through 1/31/12 used in calculation of prior year DSMRC	\$ 80,000
Actual recovery 11/1/11 through 1/31/12 used in calculation of prior year DSMRC	\$ (48,959)
Amounts to be recovered	\$ 233,997
Actual recovery 2/1/12 through 10/31/12	\$ 96,714
Projected recovery 11/1/12 through 1/31/13	\$ 79,000
Amounts recovered	\$ 175,714
CEPBA Under (Over) Recovery	\$ 58,283

CEPRC - Conservation/Efficiency Recovery

Estimated Residential Sales 16,400,000 Ccf

	Recovery Amount	Rate, per Ccf	
CEPCR	\$ 137,842	\$ 0.00841	D
CEPLS	\$ 41,189	\$ 0.00251	I
CEPI	\$ -	\$ -	N
CEPBA	\$ 58,283	\$ 0.00355	I
TOTAL DSMRC	\$ 237,314	\$ 0.01447	

Delta Natural Gas Company, Inc.
 Conservation/Efficiency Program
 Schedule A - Current Year Participation Detail

Program Year End: October 31, 2012

Current Year Program Participation
Program participants 11-1-10 through 10-31-10

	(1)			(1)	
	Program	CCF Conservation		Rebate	
	Participants	Per Participant	Total	Amount	Total
<u>A. High Efficiency Heating Savings</u>					
1. High Efficiency Forced Air Furnaces	172	100.02	17,203.4	\$ 400	\$ 68,800
2. High Efficiency Dual Fuel Units	32	20.85	667.2	300	\$ 9,600
3. High Efficiency Gas Space Heating	92	16.33	1,502.4	100	\$ 9,200
4. High Efficiency Gas Logs/Fireplaces	113	55.40	6,260.2	100	\$ 11,300
<u>B. High Efficiency Water Heating Savings</u>					
1. High Efficiency Holding Tank Models	17	45.11	766.9	200	\$ 3,400
2. High Efficiency Power Vent Models	5	62.62	313.1	250	\$ 1,250
3. High Efficiency On-Demand Models	44	108.59	4,778.0	300	\$ 13,200
<u>C. Energy Audits</u>					
1. Residential Energy Audits	-	30.00	-		
Total - A. B. C.	475		31,491.2		116,750

(1) Amounts based on budget and guidelines in CEP program document, as submitted in Case No. 2008-00062

Delta Natural Gas Company, Inc.
Conservation/Efficiency Program
Schedule B - Cumulative Prior Years Program Participation

Program Year End: October 31, 2012

	2010 Program Year		2011 Program Year		Total	
	Program Participants	Total CCF Conservation	Program Participants	Total CCF Conservation	Program Participants	Total CCF Conservation
A. High Efficiency Heating Savings						
1. High Efficiency Forced Air Furnaces	141	14,102.8	238	23,804.8	379	37,907.6
2. High Efficiency Dual Fuel Units	40	834.0	48	1,000.8	88	1,834.8
3. High Efficiency Gas Space Heating	25	408.3	69	1,126.8	94	1,535.1
4. High Efficiency Gas Logs/Fireplaces	95	5,263.0	137	7,589.8	232	12,852.8
B. High Efficiency Water Heating Savings						
1. High Efficiency Holding Tank Models	43	1,939.7	16	721.8	59	2,661.5
2. High Efficiency Power Vent Models	2	125.2	4	250.5	6	375.7
3. High Efficiency On-Demand Models	11	1,194.5	44	4,778.0	55	5,972.5
C. Energy Audits						
1. Residential Energy Audits	20	600.0	5	150.0	25	750.0
Total - A. B. C.	377	24,467.5	561	39,422.3	938	63,889.8

Delta Natural Gas Company, Inc.
Conservation/Efficiency Program
Schedule C - Calculation of Program Benefits

Program Year End: October 31, 2012

Current Year Conservation (Ccf) 31,491.2 per Schedule A

Year	(2) CCF Conserved	(1) Gas Cost	Commodity Savings
2013	31,491.2	\$ 0.53009	\$ 16,693
2014	31,491.2	\$ 0.53009	\$ 16,693
2015	31,491.2	\$ 0.53009	\$ 16,693
2016	31,491.2	\$ 0.53009	\$ 16,693
2017	31,491.2	\$ 0.53009	\$ 16,693
2018	31,491.2	\$ 0.53009	\$ 16,693
2019	31,491.2	\$ 0.53009	\$ 16,693
2020	31,491.2	\$ 0.53009	\$ 16,693
2021	31,491.2	\$ 0.53009	\$ 16,693
2022	31,491.2	\$ 0.53009	\$ 16,693
Total Commodity Savings	314,912.0		\$ 166,932

Discount Rate 7.9700%

Program Benefits **\$112,164**
(present value of commodity savings)

(1) Gas Cost is Delta's GCR rate effective at the program year-end (Case No. 2012-00434).

(2) Estimated CCFs conserved and Gas Cost

(3) Delta's weighted average cost of capital per Case No. 2010-00116



Delta Natural Gas Company, Inc.

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December 26, 2012

Mr. Jeff Derouen
Executive Director
Public Service Commission
P O Box 615
Frankfort, KY 40602

Dear Mr. Derouen:

Enclosed are the original and three copies of Delta's Annual Conservation/Efficiency Program Rate Filing which determines the Conservation/Efficiency Program Recovery Rate (CEP) to be effective with the first billing cycle of February 2013. The CEP rate has been calculated to be \$0.01447 per CCF.

An extra copy of the filing is attached for public files.

Please acknowledge receipt of this filing by stamping the extra copy of the cover letter and returning to Delta in the envelope provided.

Sincerely,

Matthew D. Wesolosky
Vice President - Controller

Copy: Glenn
John
Johnny
Brian
Connie K.
Jeff
Tammy
Kathy B.
Connie S.
Casey

14 copies